AMENDED IN ASSEMBLY JUNE 1, 2007

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 1452

Introduced by Assembly Members Wolk and Huffman

February 23, 2007

An act to add Part 6 (commencing with Section 9600) to Division 5 of the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 1452, as amended, Wolk. Central Valley-Flood Protection. *flood protection*.

Under existing law, the Department of Water Resources performs various flood control activities throughout the state. Existing law authorizes the Reclamation Board to engage in various flood control activities along the Sacramento River and the San Joaquin River, their tributaries, and related areas. Existing law requires the board to establish and enforce standards for the maintenance and operation of, and to undertake other responsibilities with regard to, flood control works under its jurisdiction.

The Disaster Preparedness and Flood Prevention Bond Act of 2006 authorizes the issuance of bonds in the amount of \$4,090,000,000 for the purposes of financing a disaster preparedness and flood prevention program.

This bill would enact the Central Valley Flood Protection Act of 2008. The bill would prohibit the board from approving, and the department from providing, funding for any flood protection project that narrows flood channels or reduces the capacity of the flood protection system in the Sacramento-San Joaquin Valley to convey water. The bill would declare that it is the policy of the state that, to the maximum extent

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permitted by law, the expenditure of funds for flood protection in the Sacramento-San Joaquin Valley reflect specified priorities. The bill would require the department to correct deficiencies in flood protection facilities that present an imminent risk of failure and threaten human life. The department would be required to seek the maximum amount of federal and local cost-sharing contributions, but would be prohibited from delaying specified emergency repairs to obtain those contributions.

The department would be required to investigate, develop, and establish a floodway or bypass, acquire land, or construct one or more facilities to significantly reduce flood stage in the San Joaquin River Watershed. The bill would authorize the department to investigate and assess the level of flood protection for communities in the Sacramento-San Joaquin Valley. The bill would authorize the department to provide financial assistance to cities, counties, and other local public entities to repair and replace levees, weirs, bypasses, and facilities in accordance with certain requirements and to develop regional or local plans of flood protection. The bill would require the department to prepare a Central Valley Flood Protection Plan for the Sacramento-San Joaquin Valley. The bill would authorize the department to identify additional facilities that may become facilities of the State Plan of Flood Control, as defined.

For the purpose of implementing the Disaster Preparedness and Flood Prevention Bond Act of 2006, the bill would require certain contracts to provide for the payment of additional compensation as a bonus for early completion of a project; require the department to develop project solicitation and evaluation guidelines for a stormwater flood management program; impose requirements relating to an annual investment strategy that the Governor is required to prepare; authorize the department to implement specified flood protection improvements for urban areas if certain requirements are met; and prohibit the expenditure of more than \$100,000,000 on behalf of prescribed levee improvement programs until the department and the Department of Fish and Game carry out certain duties.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Part 6 (commencing with Section 9600) is added to Division 5 of the Water Code, to read:

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PART 6. CENTRAL VALLEY FLOOD PROTECTION ACT OF 2008

CHAPTER 1. GENERAL PROVISIONS AND DEFINITIONS

- 9600. This act shall be known and may be cited as the Central Valley Flood Protection Act of 2008.
 - 9601. The Legislature finds and declares all of the following:
- (a) In November 2006, California voters approved the issuance of an unprecedented amount of general obligation bonds for infrastructure, including almost five billion dollars (\$5,000,000,000) for flood protection. While those bonds will allow California to fix its aging flood infrastructure, that amount only begins to address the state's funding requirements to create a sustainable flood protection system for the Central Valley. With limited funding, the State of California needs to establish priorities for allocating these bond funds.
- (b) The challenge of protecting Californians from a flood in the Central Valley has changed. The flood protection system in the Central Valley was designed to wash gold-rush era sediment downstream and out to sea, with narrow channels created by levees of varying quality. The flood protection system, established in 1913, worked so well that the sediment has washed out and low-level flood flows now wash away the levees. Two minor floods in 2006 created 71 new sites of critical levee erosion, which will require substantial funding for repair. Decisions as to future expenditure of flood funding therefore need to reflect these new challenges.
- (c) The governmental context for protecting Californians from floods also has changed. A 2003 decision by a state court of appeal held the state responsible for not having a reasonable plan for protecting Sacramento Valley residents and businesses from floods. Since Hurricane Katrina, the United States Army Corps of Engineers has received less funding for flood protection in the Central Valley, and has relied on state funding for its work. The Federal Emergency Management Agency has begun preparing new flood maps that will show more Central Valley communities at higher risk of flooding. Central Valley cities and counties have developed a greater awareness of the flood risk that their residents face.

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 (d) California has invested billions of dollars in its existing flood protection facilities, but those facilities have rapidly deteriorated in recent years. Those facilities have served California well in the past, but their continued success may be questioned under the rapidly changing conditions in the Central Valley. The current flood protection system does not have the capacity to convey a substantial amount of floodwater without the threat of damage to growing urban centers. Climate change is likely to exacerbate flood conditions. The state needs to continue repairing the current system, as it considers how to reformulate its plan for flood protection in the Central Valley.

9602. Unless the context otherwise requires, the definitions set forth in this section govern the construction of this part.

- (a) "Board" means the Reclamation Board.
- (b) "Central Valley Flood Protection Plan" means the plan prepared pursuant to Section 9617 and includes the State Plan of Flood Control as defined in subdivision (j) of Section 5096.805 of the Public Resources Code.
- (c) "Facilities of the State Plan of Flood Control" has the same meaning as set forth in subdivision (e) of Section 5096.805 of the Public Resources Code.
- (d) "Flood hazard zone" means an area subject to flooding that is delineated as either a special hazard area or an area of moderate or minimal hazard on an official flood insurance rate map issued by the Federal Emergency Management Agency.
- (e) "Levee flood protection zone" means the area, as determined by the board or the department, that is protected by a project levee.
- (f) "One hundred-year standard" means protection that is sufficient to withstand flooding that has a 1-in-100 chance of occurring in any given year, without regard to any previous presumption lacking substantial evidence that the relevant levee was sufficient to withstand that flooding, considering reasonably foreseeable development in the watershed.
- (g) "Project levee" has the same meaning as set forth in subdivision (g) of Section 5096.805.
- (h) "Sacramento-San Joaquin Valley" means any lands in the bed or along or near the banks of the Sacramento River or San Joaquin River, or any of their tributaries or connected therewith, or upon any land adjacent thereto, or within any of the overflow basins thereof, or upon any land susceptible to overflow therefrom.

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(i) "Urban area" means any contiguous area in which more than 10,000 residents are protected by project levees.

9603. Nothing in this part shall be construed to inhibit or delay the completion of emergency repairs to project levees.

- 9604. The board shall not approve and the department shall not provide funding for any flood protection project that narrows flood channels or otherwise reduces the capacity of the flood protection system in the Sacramento-San Joaquin Valley to convey floodwater.
- 9605. (a) For purposes of complying with the Public Contract Code, all expenditures funded pursuant to Sections 5096.821 and 5096.825 of the Public Resources Code shall be deemed to be in response to an emergency.
- (b) All contracts funded pursuant to Sections 5096.821 and 5096.825 of the Public Resources Code shall provide for the payment of additional compensation to the contractor as a bonus for completion of a project prior to the time specified in the contract. This provision shall be included in the specifications and shall clearly set forth the basis for that payment.
- 9606. (a) By March 15, 2008, the department, in collaboration with the State Water Resources Control Board, shall develop project solicitation and evaluation guidelines to implement Section 5096.827 of the Public Resources Code. The guidelines may include a limitation on the dollar amount of grants to be awarded.
- (b) Before finalizing the guidelines and disbursing grants for the purposes of Section 5096.827 of the Public Resources Code, the department shall conduct two public meetings to consider public comments. The department shall publish the draft solicitation and evaluation guidelines on its Internet Web site at least 30 days before the public meetings. One meeting shall be conducted at a location in Northern California and one meeting shall be conducted at a location in Southern California. To the extent feasible, the department shall provide outreach to disadvantaged communities to promote access and participation in those meetings.
- (c) The guidelines shall include a priority for projects that address the needs of disadvantaged communities.
 - (d) Upon adoption of the guidelines, the department shall transmit copies of the guidelines to the fiscal committees and the appropriate policy committees of the Legislature.

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9607. The annual investment strategy to meet long-term flood protection needs and minimize state taxpayer liabilities from flooding required by paragraph (3) of subdivision (b) of Section 5096.820 of the Public Resources Code shall include an evaluation and recommendation with regard to all of the following:

- (a) Strategies to integrate the operation of the state's flood protection system and water supply and conveyance system.
- (b) Investments to increase the protection of existing urban areas.
- (c) The expansion of floodway conveyance capacity wherever feasible.
- (d) The opportunities for reservoir reoperation in conjunction with flood plain and groundwater storage to increase flood protection and water supply benefits.
- (e) The design of flood control improvements to reduce erosion and maintenance costs.
- (f) Impacts on water supply and on the California Bay-Delta Ecosystem Restoration Program.

CHAPTER 2. FLOOD SAFE CALIFORNIA PROGRAM

- 9610. The department and the board shall implement the Flood Safe California Program as provided in this chapter, in order to maintain, redesign, and improve the flood protection systems in the Sacramento-San Joaquin Valley.
- 9611. (a) It shall be the policy of the state that, to the maximum extent permitted by law, the expenditure of bond funds for flood protection in the Sacramento-San Joaquin Valley approved by the voters shall reflect all of the following priorities:
- (1) Emergency flood facility repairs, as provided in Section 9612.
- (2) Urgent community flood protection, as provided in Section 9613.
- (3) Investigation and assessment of flood protection facilities in the Sacramento-San Joaquin Valley, as provided in Section 9614.
- (4) Financial assistance for regional or local flood protection plans, as provided in Section 9615.
- 39 (5) Delta levee projects, as provided in Section 5096.821 of the 40 Public Resources Code.

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(6) Development of new strategies for flood protection in the Sacramento-San Joaquin Valley, as provided in Section 9617.

- (7) Adding-The addition of facilities to the State Plan of Flood Control, as provided in Section 9618.
- (b) The establishment of these priorities does not preclude the allocation of funds for any of the purposes described in subdivision (a) or for local efforts to address flood protection. It is the intent of the Legislature to allocate funding equitably among all the priorities identified in this section.
- 9612. (a) The department shall correct deficiencies in flood protection facilities that present an imminent risk of failure and threaten human life, including, but not limited to, repair of critical levee erosion, flood fighting, and flood channel clearing in accordance with any declaration of a state of emergency by the Governor.
- (b) The department shall seek the maximum amount of federal and local cost-sharing contributions as reasonably possible, but shall not delay emergency repairs that are subject to a declaration described in subdivision (a) in order to obtain those contributions.
- 9613. (a) Consistent with subdivision (b) of Section 5096.821 of the Public Resources Code, the department may implement flood protection improvements for urban areas protected by facilities of the State Plan of Flood Control if the director determines, in writing, that all of the following apply:
- (1) The improvements are necessary to address an urgent and significant risk of flooding and require state funding before the completion of the Central Valley Flood Protection Plan prepared pursuant to Section 9617.
- (2) The improvements will reduce or avoid risk to human life in one or more urban areas and do not transfer significant flood risks to other urban areas.
- (3) The improvements will not impair or impede future changes to regional flood protection or the Central Valley Flood Protection Plan.
- (4) The improvements will be maintained by a local agency with a record of good maintenance of existing facilities of the State Plan of Flood Control.
- (5) The affected cities, counties, and other public agencies have sufficient revenue resources for the operation and maintenance of the facility.

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1 (6) Upon the allocation of funds for a project, the proposed 2 project is ready for implementation.

- (7) The improvements may provide public benefits in addition to flood protection.
 - (8) The improvements comply with existing law.
- (b) The flood protection improvements authorized by this section may include improvements to specific facilities of the State Plan of Flood Control or acquisition of flood easements in lands adjacent to facilities of the State Plan of Flood Control to increase levels of flood protection for urban areas in accordance with subdivision (b) of Section 5096.821 of the Public Resources Code.
- (c) The department shall investigate, develop, and establish a floodway or bypass, acquire land, or construct one or more facilities to significantly reduce flood stage in the San Joaquin River Watershed.
- 9614. (a) The department shall investigate and assess, or provide financial assistance to cities, counties, or other public agencies to investigate and assess, the level of flood protection for communities in the Sacramento-San Joaquin Valley, including flood protection provided by the facilities of the State Plan of Flood Control.
- (b) The investigation and assessment may include levee investigation, hydrological modeling, development of technological capability for real-time flood monitoring and management, evaluation of options to operate existing surface water reservoirs to improve flood protection, and flood risk mapping.
- (c) Assessments authorized by this section shall include evaluation of all sources of flood risk, including seismic risk and climate change to the extent information is available.
- 9615. (a) The department may provide financial assistance to cities, counties, and other local public entities for repair, rehabilitation, reconstruction, or replacement of levees, weirs, bypasses, and facilities, including facilities of the State Plan of Flood Control if all of the following apply:
- 35 (1) The affected cities or counties have adopted a regional or 36 local plan of flood protection that the department or the board 37 determines is consistent with the Central Valley Flood Protection 38 Plan.

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(2) The project provides additional flood protection exceeding the 100-year standard for an area that is subject to significant flood risk.

- (3) The affected cities, counties, or other local public entities have agreed to make contributions to cost-sharing, which may include money or in-kind contributions.
- (4) The affected cities, counties, or other local public entities have identified adequate, long-term funding for operation and maintenance.
- (5) The project complies with all laws, including provision for environmental mitigation required by federal, state, or local law, either directly or indirectly through environmental mitigation programs administered by the department.
- (b) The department may provide financial assistance to cities, counties, and other local public entities to develop regional or local plans of flood protection that are described in paragraph (1) of subdivision (a). The regional or local plans of flood protection shall undertake to minimize risk of loss of life and provide for mitigation of loss of existing flood plain storage.
- 9616. Of the funds made available pursuant to Section 5096.821 of the Public Resources Code, not more than one hundred million dollars (\$100,000,000) may be allocated for the purposes of subdivision (c) of that section until the department and the Department of Fish and Game carry out the requirements set forth in Sections 139.2 and 139.4.
- 9617. (a) The department shall prepare a Central Valley Flood Protection Plan for the Sacramento-San Joaquin Valley that includes a description of both structural and nonstructural means for improving the performance and elimination of deficiencies of levees, weirs, bypasses, and facilities, including facilities of the State Plan of Flood Control, and, wherever feasible, a description of actions intended to meet multiple objectives, including each of the following purposes: of actions intended to meet multiple objectives.
- (b) For the purposes of subdivision (a), actions intended to meet multiple objectives include actions to accomplish any of the following:
- 38 (1) Reduce the risk to human life, health, and safety from flooding.

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 (2) Expand the capacity of the flood protection system in the Sacramento-San Joaquin Valley to either reduce flood flows or convey floodwaters away from urban areas.

- (3) Link the flood protection system with the water supply system.
- (4) Connect state flood protection decisions to local land-use decisions for improvement of flood protection capability.
- (5) Improve flood protection for urban areas to a level exceeding the federal minimum 100-year standard, including increased reliance on upstream floodway corridors.
- (6) Provide sufficient flood protection for small communities and rural areas to a standard deemed appropriate by the department.
- (7) Promote natural dynamic hydrologic and geomorphic processes.
 - (8) Reduce damage from flooding.
- (9) Increase and improve the quantity, diversity, and connectivity of riparian, wetland, flood plain, and shaded riverain aquatic habitats, including the agricultural and ecological values of these lands.
- (10) Minimize the flood management system operation and maintenance requirements.
- (11) Promote the recovery and stability of native species populations and overall biotic community diversity.
- (12) Identify opportunities and incentives for increasing use of floodway corridors.
- (13) Provide a feasible, comprehensive, long-term financing plan for implementing the plan.
- (b) The department shall prepare the Central Valley Flood Protection Plan in a manner that is consistent with the state planning priorities described in Section 65041.1 of the Government Code.
- 9618. (a) Upon completion of the Central Valley Flood Protection Plan pursuant to Section 9617, the department may identify additional facilities that may become facilities of the State Plan of Flood Control, consistent with the Central Valley Flood Protection Plan, if those facilities will increase the level of flood protection for urban areas to exceed the 100-year standard.
- 38 (b) For the purposes of subdivision (a), facilities that may 39 become facilities of the State Plan of Flood Control include 40 bypasses, floodway corridors, flood plain storage, or other projects

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- that expand the capacity of the flood protection system in the Sacramento-San Joaquin Valley to provide flood protection.